

COLA's effective July 1, 2004

Cost of Living Adjustments (COLAs) for all retirees in the Employees', Police Officers and Uniformed Retirement Systems will be effective July 1, 2004.

The 1.9% base COLA reflects the increase in the Consumer Price Index (CPI) for the Washington area for the period ending March 31, 2004. According to the ordinances that govern the Systems, COLA's are set at the lesser of the Consumer Price Index increase for the previous year or 4%. Each retirement Board of Trustees may also grant up to an additional 1% COLA depending on the funds' available actuarial surplus.

The Board of Trustees of the Employees' System and the Uniformed System were unable to grant any amount of the ad hoc COLA this year due to rules governing the financial status of the plans and the terms of the County Code regarding the ability to grant additional COLA's. There was not an actuarial surplus meeting the above requirements. However, in the Police Officers System, where the funds did meet the actuarial surplus guidelines, the Police Board was in the position to consider granting up to 1% additional COLA. The Board of Trustees for the Police Officers System did elect to grant an additional ad hoc COLA in the amount of 1%. Retired members of the Police Officers Retirement System will receive a COLA increase effective July 1, 2004 of 2.9%.

All cost of living increases will be reflected in each retiree's July 31 check. COLAs apply to base benefits only – not Pre-Social Security benefits.

Please Note:

For members who retire with less than 12 months of service in the current Fiscal Year, COLAs are prorated according to the following effective dates of retirement:

July 2, 2003 through October 1, 2003.....	75% of the COLA amount
October 2, 2003 through January 1, 2004.....	50%
January 2, 2004 through April 1, 2004	25%
After April 1, 2004.....	0% COLA